Infrastructure Investment & Jobs Act (IIJA) Funding Allocation: Was It Equitable?

DATA 608
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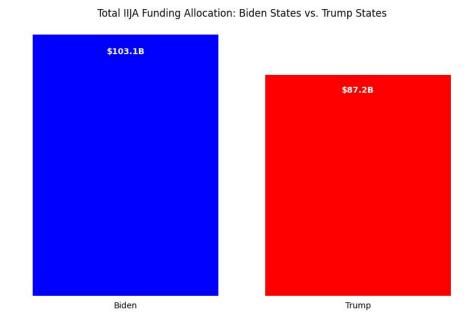
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Introduction

- In 2021, President Biden signed the IIJA, a law that allocates funds to US states and territories
- This presentation will examine two hypotheses suggesting that funds were not distributed equitably and that the allocations of funds reflect political bias
- Because only US states and Washington DC vote in the presidential election, I will only consider these areas in this presentation but I will not consider US territories and tribal nations; members of tribal nations participate in presidential elections as part of their respective U.S. states

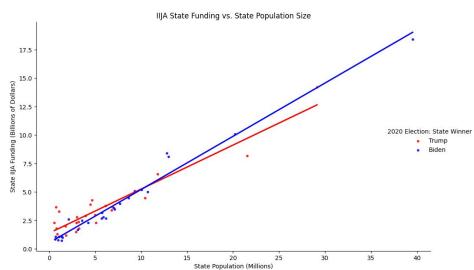
Hypothesis 1: The IIJA disproportionately benefits states that voted for Biden

- Indeed, states that voted for Biden in 2020 collectively received more IIJA funding than the states that voted for Trump
- The states won by Biden received 18.23% more IIJA funding compared to the states won by Trump
- Was Biden simply rewarding states for voting him in?



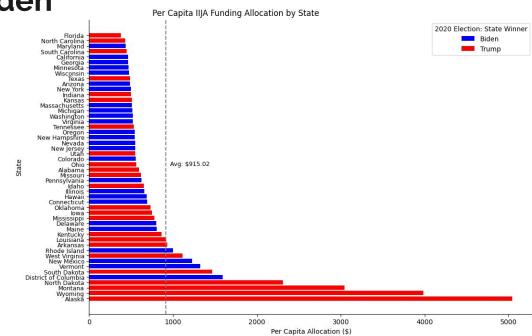
Hypothesis 1: The IIJA disproportionately benefits states that voted for Biden

- Considering state population sizes, larger
 Biden states typically received more IIJA
 funding than large Trump states
- However, smaller Trump states typically received more IIJA funding than smaller Biden states



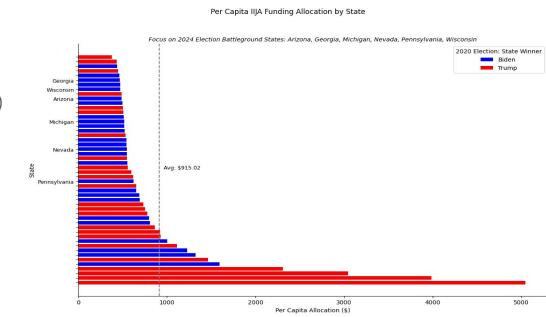
Hypothesis 1: The IIJA disproportionately benefits states that voted for Biden

- Indeed, most of the states that received above-average per-capita allocations voted for Trump!
- There is no clear pattern otherwise suggesting states that voted for Biden disproportionately benefit from the IIJA
- Hypothesis 1 is rejected



Hypothesis 2: The IIJA disproportionately benefits states that are of special political significance to Biden

- There is another cynical hypothesis: perhaps the IIJA disproportionately benefits states that are of special interest to Biden (i.e. key 2024 states)
- However, all six battleground states received below-average per-capita allocations; collectively they disproportionately suffered!
- Hypothesis 2 must also be rejected



Conclusion

- This presentation considered two hypotheses suggesting that the distribution of IIJA funds was not equitable and that it may have been influenced by ulterior motives
- While states that voted for Biden collectively received more IIJA funds than states that voted for Trump, a per-capita consideration of IIJA allocations allowed us to reject the hypotheses that the distribution was meant to reward states that voted for Biden or to influence the 2024 election outcomes in battleground states
- This analysis was limited in that in considered only population size; future research should consider state density and area as these are likely strong determinants of states' infrastructure needs